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TO RUEHC/SECSTATE WASHDC PRIORITY 8866  
INFO RUEHBS/AMEMBASSY BRUSSELS PRIORITY 1018  
RUEHLO/AMEMBASSY LONDON PRIORITY 0194  
RUEHMO/AMEMBASSY MOSCOW PRIORITY 0965  
RUEHFR/AMEMBASSY PARIS PRIORITY 0110  
RHMFIUU/FAA NATIONAL HQ WASHINGTON DC PRIORITY  
RULSDMK/DEPT OF TRANSPORTATION WASHDC PRIORITY

UNCLAS ZAGREB 000346

SIPDIS

BRUSSELS/PARIS/LONDON/MOSCOW FOR FAA REPS  
FAA FOR API-1/AFS-50/AGC-7; DOT FOR X45/C20  
STATE FOR EEB/TRA/OTP KRISTIN GUSTAVSON

E.O. 12958: N/A  
TAGS: [EAIR](#) [ECON](#) [PREL](#) [HR](#)  
SUBJECT: CROATIA ON FAA REQUEST FOR FINAL DISCUSSION

REF: SECSTATE 43818

¶1. Econ Officer delivered reftel letter and report to Mr. Damir Vince, Director General of the Croatian Civil Aviation Authority on April 25, 2008. A copy of the report was also shared on the same date with Betty Pavelic-Sirois, Head of the North America Department at the Croatian Ministry of Foreign Affairs. Ambassador is scheduled to meet with Transport Minister Bozidar Kalmeta on April 30 and will deliver same.

¶2. DG Vince told Econ Off that the problems uncovered in the IASA process were not new, but that he and the Government were committed to resolving them as expeditiously as possible. Furthering this point, he provided a copy of a Government decision of April 18 bearing the Prime Minister's signature, authorizing the appointment of the members of the new Civil Aviation Agency. The Agency, which will be independent and self-financing, will take on most oversight functions from the Authority and will be free of the civil service salary caps that have hindered the hiring of qualified personnel, according to Vince. The Government has also set up a working group to review the findings of all external assessments of the Civil Aviation Authority since 2002, including IASA, and make recommendations for improvements.

¶3. Both Vince and Pavelich-Sirois asked Econ Off about the timing of the final discussion and were under the impression that delivery of the report started a formal 60 day period for the GOC to respond and correct problems. Econ Off explained that there is no formal time frame, but that the IASA process usually takes 120 days from start to finish. Pavelich-Sirois noted, however, that in keeping with such a time frame the GOC would have received the report much earlier, thereby allowing for a longer window before the scheduling of the final discussion. Vince also noted that the proposed visit the week of May 19 was complicated in light of on-going work at the Ministry during that time. Vince indicated that the week beginning June 9, while still earlier than he hoped, would be workable on the Croatian side.

¶4. Post Recommendation: Given the differing expectations as to the period of time between the delivery of the report and the scheduling of the final discussion, together with the fact that Vince and the CAA are currently heavily involved with the creation of the Civil Aviation Agency, Post recommends accepting the June 9 date for the scheduling of the final discussion. The Croatian side has been constructive and responsive throughout this process, but given the likelihood of a negative finding, Post believes it is

important that the Croatians feel they have had adequate time to digest the specifics of the written report prior to facing the reality of the final discussion visit. Although slightly short of the 60 days the Croatians expected they would have, scheduling the visit for the week of June 9 is acceptable to the Croatian side and represents only a three week delay from the dates proposed in reftel.  
Bradtke